

Message Text

LIMITED OFFICIAL USE

PAGE 01 BUENOS 07717 181629Z

60

ACTION AGR-08

INFO OCT-01 ARA-06 ISO-00 EB-04 COME-00 CIAE-00 INR-05

NSAE-00 RSC-01 AID-05 SWF-01 TRSE-00 DRC-01 /032 W

----- 037761

R 181540Z OCT 74

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 8519

LIMITED OFFICIAL USE BUENOS AIRES 7717

PASS USDA/FAS GRAIN & FEED DIV FROM AGATTACHE

E.O. 11652: N/A

TAGS: EAGR

SUBJECT: GRAIN SITUATION

REF: A. FASTO CIRCULAR 394, B. FASTO 91

1. CONTENTS OF REF A WERE DISCUSSED WITH VICE PRESIDENT AND ADVISER FOR FOREIGN COMMERCE OF THE NATIONAL GRAIN BOARD. THEIR REACTION WAS THAT ARGENTINA DOES NOT ANTICIPATE PURCHASE OF ANY OF THE PRODUCTS INCLUDED IN THE NEW VOLUNTARY REPORTING SYSTEM FOR EXPORT SALES. THEY STATED THAT THE GRAIN BOARD'S EXPORT SALES POLICY FOR BOTH CORN AND SORGHUM WOULD BE LESS AGGRESSIVE.

2. THE SAME SOURCE CONFIRMED THE NGB SIGNED A GOVERNMENT-TO-GOVERNMENT AGREEMENT TO SUPPLY ALGERIA ANNUALLY WITH UP TO 100-200,000 THOUSAND TONS OF DURUM WHEAT 150-200,00 THOUSAND TONS OF BREAD WHEAT AND 20-50 THOUSAND TONS OF CORN DURING THE PERIOD 1975-79. BOARD OFFICIALS STATED THAT PRICES AND OTHER DETAILS OF CONTRACT WOULD BE NEGOTIATED AT LATER DATE (SIMILAR TO THE WHEAT AGREEMENT WITH BRAZIL). AS YET NO COMMITMENT FOR SHIPMENT HAS BEEN MADE.

3. ON OCT 15, GOA INCREASED EXPORT TAXES ON CORN FROM 8 TO 25 PERCENT AND THOSE FOR SORGHUM FROM ZERO TO 23 PERCENT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BUENOS 07717 181629Z

4. TRADE, PRODUCERS AND NGB ADVISED THAT DROUGHT CONDITIONS PARTICULARLY IN SOUTHERN PART OF BUENOS AIRES PROVINCE HAS ADVERSELY AFFECTED 1974-75 WHEAT CROP AND PRODUCTION NOW ESTIMATED AT A MAXIMUM OF 6.5 MILLION TONS. BREAD WHEAT PLACED AT 6.0 MILLION TONS AND DURUM AT 500,000 TONS. DOMESTIC DISAPPEARANCE ESTIMATED AT 4.5 MILLION TONS AND EXPORTS AT 2.0 MILLION TONS.

5. NGB BEGAN PURCHASING NEW CROP WHEAT ON OCT 16. NINETY PERCENT IS PAID IN CASH WITHIN 10 DAYS AND REMAINDER 90 DAYS AFTER ORIGINAL PAYMENT.

6. BOARD OFFICIALS ADVISED THAT ARGENTINA (PRIVATE FIRM, COOPS AND BOARD) RECENTLY SOLD USSR 525,000 MT OF CORN OF WHICH 200,000 WAS NEW CROP. THE 325,000 MT OLD CROP CORN IS FOR OCT-DEC DELIVERY AND NEW CROP APRIL-MAY 75 DELIVERY. CONTRACT PRICE WAS \$172.00 PER MT FOB ARGENTINE PORTS. ON OCT, NGB SOLD 40,000 MT OF CORN TO EXPORTER FOR \$173.50 PER TON FOB.

GRAIN BOARD REPRESENTATIVE STATED THAT MOISTURE CONDITIONS ARE CONSIDERED GOOD IN CORN BELT AND THEY ARE ESTIMATING 1974-75 CORN CROP AT 11.0 MILLION TONS AND EXPORTS IN 1975-76 MARKETING YEAR AT AROUND 7.0 MILLION TONS.

7. BOARD EXPECTS TO BEGIN NEGOTIATING WHEAT SALES WITH BRAZIL WITHIN ABOUT 2 WEEKS. QUANTITIES MENTIONED RANGED FROM 500,000 TO 1.0 MILLION TONS AND BOARD WOULD HOPE TO SELL AT PRICES OF \$205.00 PER MT FOB.

HILL

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, EXPORTS, SALES, CUSTOMS DUTIES, GRAINS, AGRICULTURAL AGREEMENTS, GOVERNMENT REACTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BUENOS07717
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740297-0814
From: BUENOS AIRES
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741037/aaaabeyr.tel
Line Count: 90
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION AGR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A. FASTO CIRCULAR 394, B. FASTO 91
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 05 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05 SEP 2002 by boyleja>; APPROVED <05 MAR 2003 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GRAIN SITUATION
TAGS: EAGR, AR, AG
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005